
ANNUAL REPORT

FISCAL YEAR 2005



MTSC
MICHIGAN TRUCK
SAFETY COMMISSION



**Michigan Truck Safety Commission
Annual Report Fiscal Year 2005**

October 1, 2004 - September 30, 2005

Pursuant to Public Act 348 of 1988

November 15, 2005

Prepared by the
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2005 MTSC Commissioners



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Lansing Community College



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State Police, Office of
Highway Safety Planning



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Introduction

The Michigan Truck Safety Commission (MTSC) is unique. It is the only organization in the nation dedicated to commercial truck driver education and supported solely by the industry it serves. What was born of modest beginnings has grown to become a renowned safety advocate for the state's trucking industry. An eleven-member Commission meets bimonthly.

Funding is provided by the Truck Safety Fund, established by Public Act 348 of 1988, and administered by the Office of Highway Safety Planning (OHSP), a division of the Michigan Department of State Police.

Portions of the Fund are used to support truck driver safety education programs and various enforcement activities. Educational programs are administered by the Michigan Center for Truck Safety (MCTS), which has offices in Lansing and Escanaba. Enforcement activities are carried out by the Michigan State Police, Motor Carrier Division.

Mission Statement

"To improve truck safety by providing Michigan's trucking industry and the citizens of Michigan with effective educational programs, and by addressing significant truck safety issues."

Strategic Plan

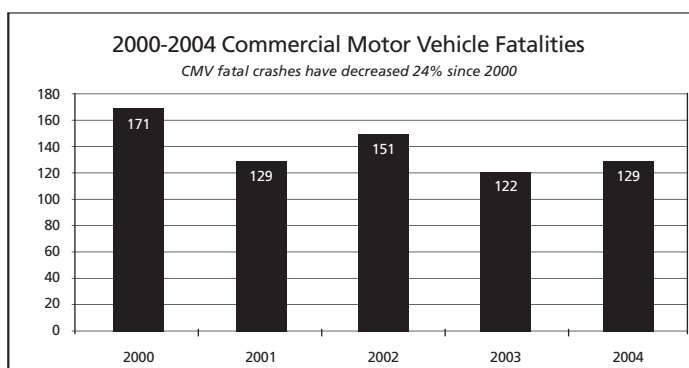
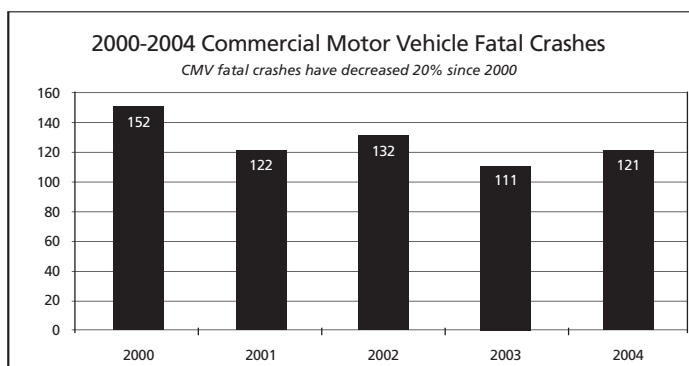
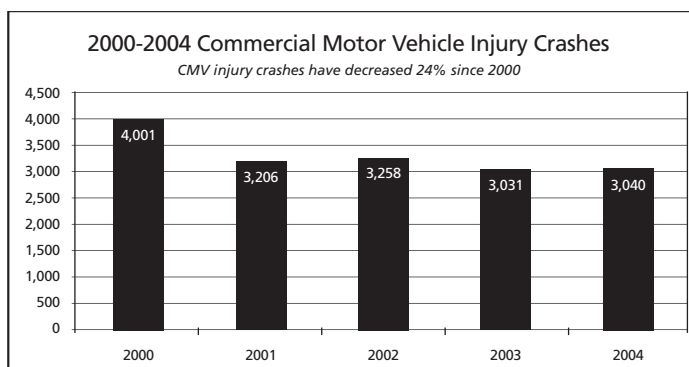
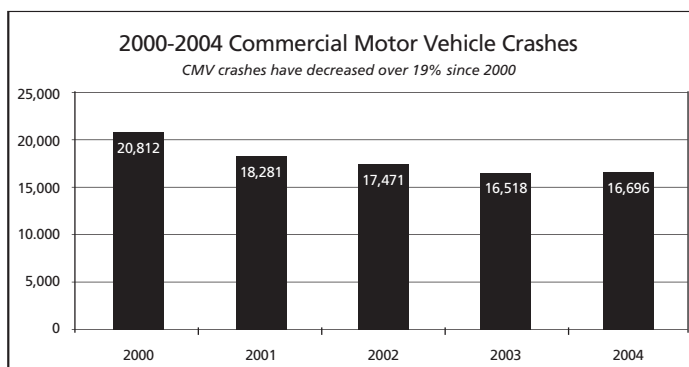
The development of a statewide and comprehensive strategic highway safety plan was commissioned by the Governor's Traffic Safety Advisory Commission (GTSAC) in October 2004. The GTSAC consists of the Governor (or a designee), the directors (or their designees) of the Departments of Community Health, Education, State, State Police, and Transportation, OHSP, the Office of Services to the Aging, and three local representatives from the county, city, and township level.

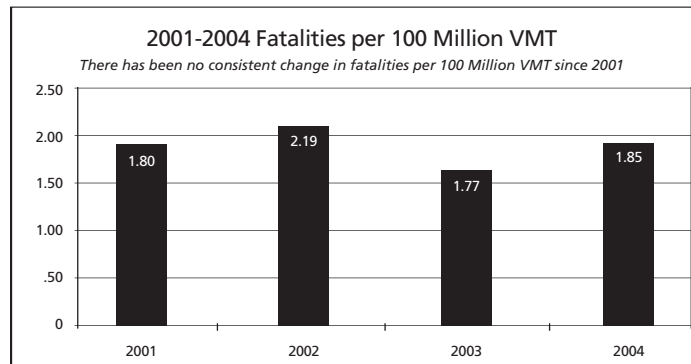
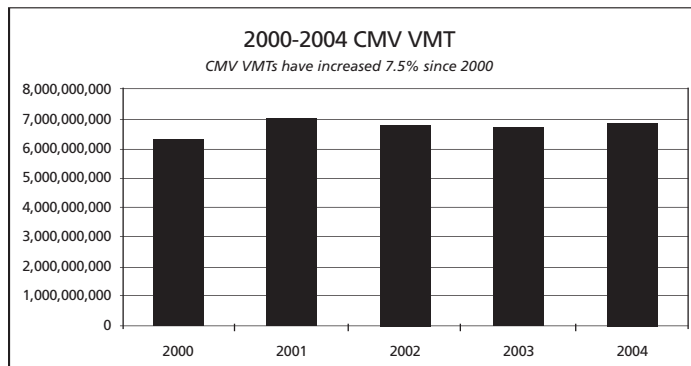
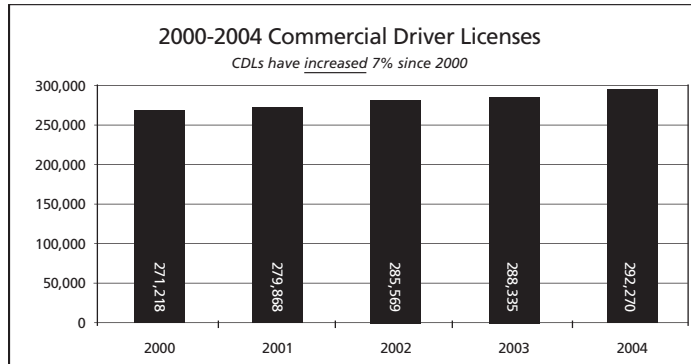
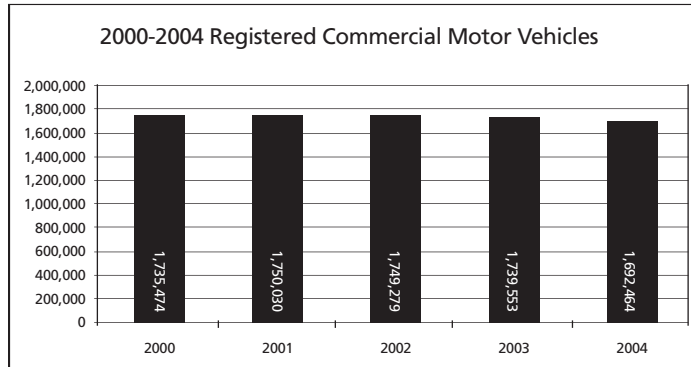
The GTSAC formed a comprehensive working group representing a cross section of the traffic safety community. The identified twelve emphasis areas, including commercial vehicle safety. The MTSC has been identified as the entity to address commercial vehicle safety issues and also serve as the "Action Team" to address those issues within the GTSAC. Consequently, this plan serves as both the MTSC Strategic Plan and as the Action Plan for the Commercial Vehicle Safety Action Team of the GTSAC.

Development of the strategic plan, issues, and strategies from the national and state agenda were carried forward into the Michigan plan, as well as other issues and strategies not mentioned in the national plan.

Crash Profile

The following commercial motor vehicle (CMV) crash information shows general trends from 2000-2004. Since 2000, there have been positive gains made in all aspects of CMV crashes even as the number of CMVs and drivers has increased during this same time period. This is due, in part, to increased focus on educational programs and enforcement activities.







MICHIGAN CENTER *for* TRUCK SAFETY

The Michigan Center for Truck Safety (MCTS) is responsible for the day-to-day operation of educational programs sponsored by the MTSC. The Center is funded through a grant to the Michigan Trucking Association (MTA) Education Center, Inc.

The Center serves as a focal point for truck driver training and educational programs. The Lansing staff consists of a project director, safety specialist, communications director, management specialist, clerical assistant, and information associate. The Lansing facility includes administrative offices, storage, and a conference/training room. The Upper Peninsula office in Escanaba consists of a safety specialist and management specialist. Training programs and safety reviews are conducted virtually every day. Facilities are used for training program development and delivery and meetings.

Training

In conjunction with the MTA, the Center hosted the third annual Michigan Truck Exhibition and Safety Symposium in February 2005. Approximately 250 people attended sessions taught by Center staff and other industry representatives and the Center's Mobile Classroom was on display. FMCSA Midwest Field Administrator Doug Sawin presented the Center's "Partner in Safety" awards at the MTA Safety Awards Banquet

during the event. Four people and organizations were cited for their contributions to MCTS and truck safety in general:

- **General Motors Corporation**

For its financial contribution toward the Izzo/Mariucci PSAs

- **Eaton Corporation**

For its donation of time, staff and facilities for special Center meetings

- **Pat Barron, President/Owner, A.M. Express, Inc.**

For coming to the Lower Peninsula twice to share his personal experience with Center guests and how it resulted in an improved safety rating, lower insurance rates, and an increased bottom line

- **Dr. Thomas O. Reel**

Acknowledging his 38 years of traffic safety experience, including his time working as a Professional Driver Coaching Consultant for the Center

MCTS continued to partner with Eaton Corporation to operate the Michigan Center for Decision Driving (MCDD) in Marshall, Michigan. MCDD provides hands-on, advanced truck driver training using the facility's skid pad and classroom. The Center contracts with the Eaton Corporation on a per-student basis for training and the facility's use. During this fiscal year, 2,228 drivers

completed the program at the Marshall facility, which is a 4 percent drop from 2,318 for FY04. In FY05, 230 were from out-of-state, or just over 10 percent, while 675 were from out-of-state in FY04 or 29 percent.

The Center runs the Upper Peninsula Decision Driving Course (skid pad/classroom) at the Upper Peninsula State Fairgrounds in Escanaba. This year, 134 drivers completed the program. This is a 23 percent increase from 103 drivers for FY04.

The Center's mobile classroom, a tractor-trailer converted into a classroom, provides on-site training for trucking companies. The mobile classroom can accommodate twenty-two students, and training is provided on a variety of safety topics, including:

■ **Hours of Service**

FMCSA guidelines covering 11, 14, 60 and 70 hour rules, sleeper berth logging, hours of service recap, adverse driving, etc.

■ **Vehicle Inspection**

FMCSA rules for pre- and post-trip inspections, proper paperwork and discussion of annual inspections

■ **Air Brakes**

Using the Commercial Driver License Manual as a guide, discussion on understanding, inspecting and testing the system for defects

■ **Operation Lifesaver**

Certificate of attendance for railroad crossing awareness presented by a certified Michigan Operation Lifesaver presenter

■ **Following and Stopping Distances**

Uses formulas developed by the National Safety Council and Liberty Mutual Insurance

■ **Skid Control and Recovery**

How vehicle skids begin and how to control and recover from them using new, innovative methods

■ **Downhill Braking**

Discussion of proper downhill braking methods

■ **Hazard Perception**

Defensive driving techniques for the professional driver

■ **Winter Driving**

Being mentally ready for the change ahead and a look at different driving methods

■ **Seat Belts**

State law (MVC 257.710(a)) and federal regulations (393.93) pertaining to seat belt use, requirements and exemptions

■ **Backing**

Discussion to improve awareness of the most dangerous maneuver in professional driving

■ **Hazardous Materials I**

FMCSA rules on Hazmat 126F, required every three years

■ **The National Safety Council's Professional Truck Driver Course**

■ **Cargo Securement**

Overview of the revised cargo securement rules found in section 393.100 - 393.136 of the Federal Motor Carrier Safety Regulations

The total drivers trained in the mobile

classroom for FY05 was 545. This is an 18 percent decrease from 661 in FY04.

The Center's Professional Driver Coaching program (formally known as Driver Performance Measurement or DPM) is a one-on-one driver assessment performed on a predetermined route. In FY05, 573 drivers completed PDC courses, which is a 50 percent increase from 277 in FY04. Included in those numbers are 121 students from Baker College and the Kent County Road Commission who participated in the DPM Step 2 program. Additionally, Consumers Energy ran twelve observers through the Train-the-Trainer program, and intends to run 3,000 drivers through PDC over a three-year period.

MCTS management specialists provide compliance training and safety reviews to company safety directors and other management personnel. This year, management training was held for 825 managers and safety personnel. With an update in training reporting methods for FY05, categories previously from the general compliance training are now considered management training, resulting in a 92 percent increase from FY04.

MCTS provided general compliance and safety education training for 4,019 people in FY05, a decrease of 55 percent, due to the new training reporting procedures referenced above in the management training. Additionally, the Center worked with U.S. DOT FMCSA and the Michigan Department of State Police, Motor Carrier Division, to provide materials for the new entrant program, along with training seminars for new entrants.

Motor carriers applying for a U.S. DOT number to operate in interstate commerce or for interstate operating authority are being instructed by FMCSA that they will be visited within eighteen months of their application by federal inspectors to assess the carrier's level of compliance with the rules and regulations. FMCSA is then referring these carriers to the Center for additional assistance.

The Truck Safety Hot Line assists callers with answers to questions about safety, education, programs, and motor carrier rules and regulations. From October 2004 to August 2005 (September calls were not yet available as of this report), 12,230 calls were received on the hot line for an average over 1,100 per month. This is expected to be fairly similar to FY04 call numbers, but a final comparison will not be available until the Center has received the September FY05 statistics.

The three-day Periodic Inspection Training Course provides training for maintenance staff, enabling them to meet federal requirements for performing periodic inspections. During FY05, ninety people completed the training. This is an 11 percent increase from 80 in FY04.



Center staff trained 191 drivers in the National Safety Council's Professional Truck Driver program this year, a 21 percent increase from 151 in FY04. The on-line fatigue program was updated this fiscal year, and sixty-seven people completed either the on-line program or classroom training, a 26 percent decrease from ninety-one in FY04. There was no classroom fatigue training in FY04.

Five drivers earned the Center's Home Run for Safety Award in FY05. This award is given to individuals or companies that complete the Center's core programs. For drivers, that includes Professional Driver Coaching, the National Safety Council's Professional Truck Driver program, either of the decision driving courses and fatigue management. For companies, the safety management component is also required. These are the first five drivers to complete the curriculum.

Two inspection videos/CDs/DVDs remain available for Michigan trucking companies (there is a charge for out-of-state orders).

The eighth edition of the Truck Driver's Guidebook was revised in FY05. More than 26,000 copies were distributed this past fiscal year, and it is available on the Center's web site as well.

Center staff and a group of stakeholders researched the potential of incorporating simulator training into the curriculum. A white paper was presented to the Commission at the September 2004 meeting and an industry interest survey was conducted in August 2005. A final decision on this project is expected in FY06.

The training database was modified in FY05 to better track users of Center programs.

As a new initiative, the Center started meeting with association and insurance representatives to promote its programs, and to target companies that are using trucks in their businesses. The Center met with eight associations in FY05, and is actively working with Auto-Owners Insurance Company, Great West Casualty, and Accident Fund Insurance Company of America. Twelve loss prevention consultants from the Accident Fund went through the MCDD and gave it high recommendations. Mauck Insurance Company in the U.P. partnered with the Center in September to promote MCTS programs to its clients.

In February, the Commission approved funding for a Southeast Michigan consultant. This consultant is working in the metro Detroit area promoting and marketing the Center's programs. This has opened the doors of those organizations with union employees.

Finally, the Center provides national and industry perspectives to the Commission for truck driver training concerns and needs by maintaining contact with a variety of national motor carrier safety organizations. Frequent contact is made with the U.S. Department of Transportation's Federal Motor Carrier Safety Administration, the Commercial Vehicle Safety Alliance, the American Trucking Associations (ATA), and The North American Transportation Management Institute. On a statewide basis, the Center has also been working with the Network of Employers for Traffic Safety, GTSAC, and traffic safety associations.

"Let's Share the Road"

This year, the Center's print public service announcement (PSA) on blind spots continued to be used in newspapers throughout the state including papers in: Holland, Belleville, Westland, Houghton, Troy, Redford, Plymouth, Canton Twp., Farmington, Southfield, Oxford, Lake Orion, Birmingham, Lincoln Park, Southgate, West Bloomfield, Clarkston, Livonia, Garden City, and Shepherd.

The Holland Sentinel has especially used the PSA (fifty-nine times in FY05) in its publication. These print PSAs were last released in FY03.

A December press release on truck safety and winter driving was printed in nineteen different newspapers in the following cities: Dowagiac, Royal Oak, Berkley, Clawson, Middleville, Ferndale, Coldwater, Hastings, Sandusky, Ithaca, Decatur, Lincoln Park, Union City, White Pigeon, Harbor Beach, Shepherd, Jackson, Pontiac, and Marion.

A Memorial Day weekend blind spot promotion yielded print coverage in Bad Axe, White Pigeon, Parma, Shepherd, and Harbor Beach, as well as coverage from six television stations:

- **Channel 11 (CBS), Toledo**

Five live shots in the morning, then taped story for airing throughout the day/evening

- **Channel 53 (ABC), Lansing**

Taped story for use on 6:00 p.m. news

- **Fox 2 (FOX), Detroit**

7:45 a.m. live shot

- **Channel 12 (ABC), Flint**

Taped story for use at 12 noon and 6:00 p.m.

- **Channel 25 (NBC), Clio (Flint/Saginaw)**

Taped story for use at 5:00 p.m. and 6:00 p.m. news

- **Channel 6 (CBS), Lansing**

Taped story for use at 6:00 p.m. news

The Center was either the focus of or mentioned in articles for Landline magazine for the Owner-Operator Independent Drivers Association, the Michigan NETS newsletter, the Community Advisor in Marshall, the Daily Press in Escanaba (once for a safety program and another time with a front page story about two U.P. drivers who earned the Home Run for Safety award), and the Business Review Lansing/Jackson.

TV and radio PSAs featuring Michigan State University Men's Basketball Coach Tom Izzo and Detroit Lion's Coach Steve Mariucci were completed in FY05 and released across the state. Two different spots were released, one noting the blind spots around large trucks and the second discussing stopping distances for commercial vehicles. Paid radio advertising was purchased from the Michigan Radio Network in July, getting a total of 1,100 messages on the air (not including the Detroit market), and individual reports have been coming in that the television spots are airing around the state.

Work continued on the "Let's Share the Road" program for high school driver education students. Center staff attended the Michigan Driver & Traffic Safety Education Association's (MDTSEA) annual conference, where the project director was a speaker. The Center also advertised in the MDTSEA newsletter and networked with association members to distribute the educational videos/CD and brochures. A new brochure was developed in FY05, and more than 4,000 copies of the

booklet were ordered at the MDTSEA conference alone. Center staff also worked closely with the Department of State and OHSP on young driver programs.

The Michigan Trucking Association's Road Team traveled the state as goodwill ambassadors for the trucking industry, speaking before educational groups on truck-related issues. This mission of the Road Team is to foster safety on Michigan highways and to explain the responsibilities of car drivers with respect to large trucks. Over 800 students learned car and truck safety in seventeen school districts and private driving classes around the state in FY05. In addition to visiting schools, team members participated in several events:

- National Share the Road campaign in affiliation with American Trucking Associations
- Speaking to television channels in Flint, Clio and Toledo, OH during live broadcasts regarding car and truck safety during the Memorial Day holiday weekend
- Participating in Scientific Brake's annual trade show

The Road Team now has six active drivers, all of whom volunteer their time and driving talents with the support of their respective employers. They are Tim Bean, R. Bean & Son, Howard City; Mark Cotter, Con-Way Central Express, Mason; Mike Diegel, Causley Trucking, Saginaw; David Gulock, Cassens Transport, Warren; Ronald Looks, Con-Way Central Express, Cadillac; and David Scott, Con-Way Central Express, Romulus.

The Center continued to provide the senior video and booklets to AARP, and GM continued to partner with the Center for its Safe Driver program, utilizing Center materials on sharing the road with trucks, including both the high school driver education and senior modules. The senior video/brochure was developed in FY2000 to address the concerns older drivers have around big trucks.

Share The Road Michigan

Did you know trucks have large blind spots?

Avoid driving behind or beside a truck for long periods of time, because the driver may not be able to see you. Remember, if you can't see the driver's face in the truck's side mirrors, chances are he or she can't see you.

Be courteous.

Be smart.

Be safe.

This material was developed through a project funded by the Michigan Truck Safety Commission.



Other Programs

The Center initiated a new “Are you Truck SMART?” program, serving the trucking industry, as well as the motoring public and insurance partners. For industry: Are you Truck SMART? (Safety Management and Resource Training). For this program, the Center wanted to promote its educational programs to industry, which included any company or driver that utilized a truck in their business. Reports from the Federal Motor Carrier Safety Administration show that companies in compliance with the rules and regulations are safer.

Studies also show that 95 percent of all accidents are the result of driver error, so the Center is promoting driver performance and the “Home Run for Safety” curriculum through this program. For the public: Are you Truck SMART? (Safe Motoring and Responsible Transportation). Since studies show that 75 percent of the time, in fatal car/truck crashes, the car driver is at fault, and 35 percent of those crashes occur in the blind spots, the Center is using the Truck SMART program to promote sharing the road to car drivers.

Promotional items featuring a Truck SMART message were distributed to the public at events including the Ionia Free Fair and Upper Peninsula State Fair (see sample 1), where drivers were given the “Share the Road” message and allowed to sit in a truck and view the blind spots. Auto-Owners Insurance also included public truck safety

tips in its billing to all of its policy holders (see sample 2). For the insurance industry, the Center’s goal is to partner with insurance companies to promote MCTS’s safety programs (see sample 3) to their trucking clients.



Sample 1

Truck SMART

For insurance agents

Be a Truck SMART insurer. The Michigan Center for Truck Safety can help your commercial clients with free safety management training programs, with the common goal of reducing truck crashes. We can also show companies how increased safety can increase their bottom line. Help your clients to become Truck SMART.

Safety Management And Resource Training

For more information:
(800) 682-4682
info@truckingsafety.org
www.truckingsafety.org

Auto-Owners Insurance

Sample 2

Did you know that trucks have large blind spots?

Let's Share the Road!

Trucks have blind spots:

- In front
- On the right
- On the left
- In back

It is dangerous to drive in these blind spots, so when you do pass a truck, pass quickly and never hang out where the driver can't see you. Remember, if you can't see the driver's face in the mirrors, he or she probably can't see you. Also, you never want to tailgate or cut in front of a truck.

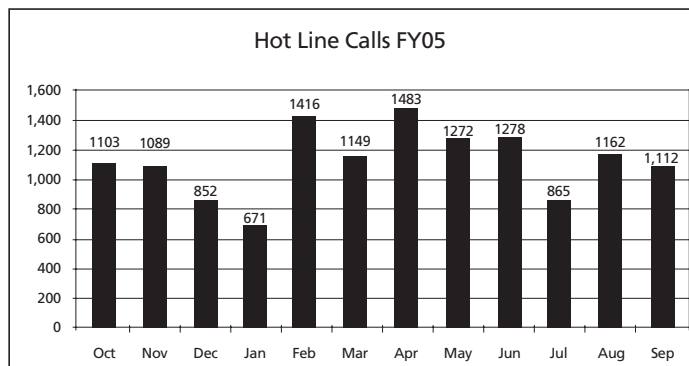
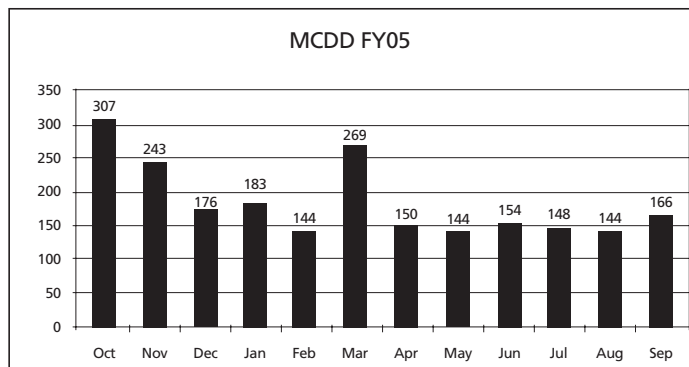
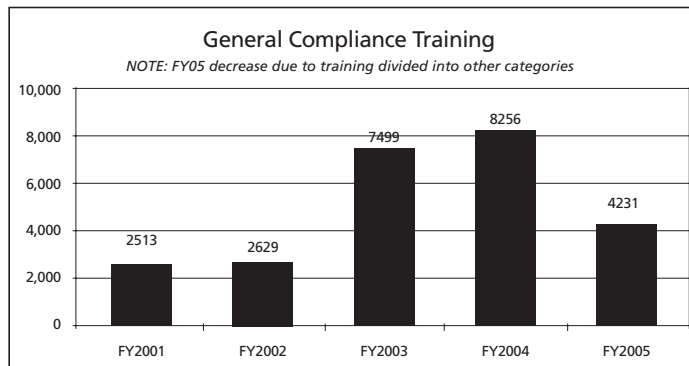
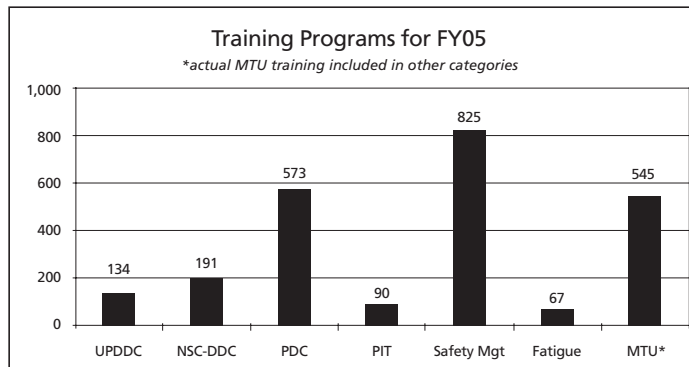
Sample 3

The Commission approved the U.S. Army Reserve's 180th Transport Company sending soldiers through MCDD at no cost. A group of sixteen attended in August, and a video news release was developed and distributed to stations around the state.

The Center newsletter continued to be published and distributed to almost 11,000 companies and individuals quarterly and is also posted on the web site.

Center staff regularly update the web site. People can register for classes, order training materials, or ask compliance questions on the web site, and download the Truck Driver's Guidebook and descriptions of all the programs.

The Center continues to promote its Home Run for Safety program, which is an overview of all of MCTS's courses.



Compliance

This year's grant with the Michigan State Police, Motor Carrier Division, had two Special Transportation Enforcement Team (STET) objectives. The first objective was the standard STET operation mandated by the MTSC statute. The second objective was STET overtime operations which included various weekend and holiday overtime enforcement activities. Part of the grant requires each district commander to develop appropriate evaluation tools for STET operations.

The Division also issued press releases, one in the spring and a second in the fall, explaining what STET operations are and how they are important to highway safety. These releases are part of the Division's outreach efforts. Several media inquiries and stories resulted from the press releases.

Education

The Division continues to produce and publish the CMV Enforcement Quarterly distributed to law enforcement agencies, prosecutors' offices, and district court magistrates. The Quarterly is distributed electronically through a listserv operated by MCD. It is also placed on MCD's web site.

A survey regarding the Quarterly was conducted during the fourth quarter of the grant year. MCD/HQ received 11 responses.

The Division also purchased and distributed 219 copies of the Federal Motor Carrier Safety



Regulations (FMCSR) to each county prosecutor and district court magistrate. Access to a current FMCSR has been a problem in local courts.

MCD included a survey with the FMCSR. Of those responding to the survey, a total of 27 prosecutors indicated that they would like to receive the FMCSR on an annual basis; four said they would not. Of those responding, 45 court magistrates said that they would like to receive the FMCSR on an annual basis; there were three responses that they would not. There were a total of 79 responses to the survey, a response rate of 36%.

Additional Objectives

This year's grant also provided funding to purchase prizes for the annual "Award for Excellence in Commercial Vehicle Safety," sponsored by the Michigan Association of Chiefs of Police (MACP).

The prizes were presented at MACP's Mid-Winter Conference in Grand Rapids in February 2005. The award was broken down into categories by agency size, with separate categories for sheriff offices and MSP posts. The following are the names of the agencies receiving awards.

The winning agencies for the 2005 award are:

- **Class I (1-10 officers)**
Pinckney Police Department
(three years running)
- **Class II (11-35 officers)**
Huron Township Police Department
- **Class III (36+ officers)**
Dearborn Police Department

Future MTSC Activities

As the Commission approaches FY06, several new activities are planned:

- The MTSC will closely follow and monitor activities in the Strategic Plan.
- A Commercial Motor Vehicle safety belt direct observation survey will be conducted in 2006.
- The Center will continue to look at technology for new training programs.
- The Center will partner with the Slow Down to Get Around coalition to produce a local 30-second PSA to demonstrate safety issues when driving around refuse vehicles and garbage trucks.
- E-learning capabilities will be explored in FY06.
- The Center has been accepted for a presentation and paper entitled "Successful Truck Driver Training Development Using Driver Performance" at the Truck and Bus Safety and Security Symposium, November 14-16, 2005, in Alexandria, Virginia.
- The Center intends to increase marketing of the MCTS and its services for FY06.
- The Center will seek new partnerships to promote Truck SMART campaigns.

Appendix — STET Statistics Fiscal Year 2005 Truck Safety Grant

	Regular STETs	Holiday/ Sunday STETs	Total
Safety Inspections	3,072	468	3,540
Verbal Warnings	2,880	237	3,117
Total Vehicle Stops	8,221	751	8,972
Total Citations	5,376	613	5,989
Speeding	2,992	354	3,346
Moving Traffic	272	19	291
Seat Belt	1,245	138	1,383
CDL	185	17	202
Illegal Parking	143	3	146
Log Book	539	82	621

Establishment of the Truck Safety Fund and Michigan Truck Safety Commission

Public Act 348 of 1988

Section 247.675 of the Michigan Compiled Laws

Sec. 25.

(1) The truck safety fund is established and shall be maintained in the State Treasury. The truck safety fund shall be administered by the Office of Highway Safety Planning within the Department of State Police.

(2) The Michigan Truck Safety Commission is established in the Office of Highway Safety Planning within the Department of State Police. The commission shall control the expenditures of the truck safety fund. The commission shall consist of the following members:

- (a) A member of the State Transportation Commission, or his or her authorized representative who is a member of the State Transportation Commission.
- (b) The director of the Office of Highway Safety Planning, within the Department of State Police.
- (c) The Secretary of State.
- (d) The commanding officer of the Motor Carrier Division within the Department of State Police.
- (e) Seven individuals appointed by the governor with the advice and consent of the senate as follows:

(i) One individual representing Michigan community colleges.

(ii) One individual representing 4-year colleges or universities.

(iii) One individual representing the Michigan Trucking Association.

(iv) One individual representing private motor carriers.

(v) One individual representing organized labor.

(vi) Two individuals representing the general public.

(3) The appointed members of the Michigan Truck Safety Commission shall be appointed for 2-year terms. The chairperson of the Michigan Truck Safety Commission shall be elected by a majority of the members serving on the Michigan Truck Safety Commission. A vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment. The business which the Michigan Truck Safety Commission shall perform shall be conducted at a quarterly meeting held in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the meeting shall be given in the manner required under Act No. 267 of 1976. A majority of the commission members serving shall be required to constitute a quorum.

(4) The truck safety fund shall be expended in the following order of priority and in the following manner:

(a) Not more than 5 percent but not more than \$100,000.00 of the money deposited in the truck safety fund shall be expended for the fund's administrative expenses. The Office of Highway Safety Planning may employ not more than two persons to assist in the administration of the fund.

(b) Not less than 30%, but not less than \$1,000,000.00 of the balance of the money deposited in the truck safety fund shall be expended for the following purposes:

(i) Establishing truck driver safety education programs.

(ii) Encouraging, coordinating, and administering grants for research and demonstration projects to develop the application of new ideas and concepts in truck driver safety education as applied to state, as opposed to nationwide, problems.

(iii) Applying for, receiving, and accepting any grant, gift, contribution, loan, or other assistance in the form of money, property, labor, and any other form from a public or private source for the enhancement of truck driver safety education, including matching funds and other assistance from an agency or instrumentality of the United States and doing each thing as is necessary to apply for, receive, and administer that assistance in accordance with the laws of this state.

(c) Not less than \$750,000.00 of the balance of the money deposited in the truck safety fund shall be expended for the establishment of special transportation enforcement team operations within the motor carrier division of the department of state police and any expenses incurred by the special transportation enforcement team including, but not limited to, required equipment. The motor carrier division of the department of state police shall submit an annual report of the activities of the special transportation enforcement team operations and expenditures of the fund for those operations provided by this subdivision.

(d) The balance of the money deposited in the truck safety fund, if any, shall be expended for the following purposes:

(i) Investigating, performing data collection and analysis, and making recommendations on truck accidents within this state.

(ii) Investigating and making recommendations on the truck safety enforcement procedures of local law enforcement agencies.

(iii) Performing other functions considered necessary by the Michigan Truck Safety Commission for the enhancement of truck and truck driver safety within this state.

continued

(5) The commission shall make an annual report to the chairpersons of the house transportation and senate state affairs, tourism, and transportation committees on the status of the fund. The report shall be submitted within forty-five days after the end of the fiscal year and shall include the year and balance of the fund and the disbursements made from the fund during the previous fiscal year.



Truck Safety Fund**Statement of Changes in Fund Balance***For the Period Ended September 30, 2005*

	Year Ended 9/30/04	Year Ended 9/30/05
Revenues		
Truck Registration Fees	\$1,920,488	\$1,982,550
Variable Interstate Fees	798,434	566,338
Total	\$2,718,922	\$2,548,888
Expenditures		
Education Programs	\$1,156,886	\$1,367,988
Enforcement	907,400	931,226
Research	72,963	0
Administration	85,561	60,560
Total	\$2,222,810	\$2,359,774
Excess of Revenues Over Expenditures	\$496,113	\$189,114
Beginning Fund Balance		
Total	\$1,664,495	\$2,160,607
Fund Balance Reduction (see note B)		307,922
Ending Fund Balance		
Total	\$2,160,607	\$2,041,799

NOTE A: Summary of Significant Accounting Policies

Method of Accounting — The Truck Safety Fund is recorded using the modified accrual basis of accounting. Fund revenues are recorded when they are collected. Fund expenditures are recorded in the year expended.

The State of Michigan year-end close takes place after the report date. This may cause a variance with reported costs. The prior year totals have been revised in this report to reflect final year-end amounts.

NOTE B: Reduction of Fund Balance (carryforward)

In 2005, the State of Michigan was required to pay a settlement resulting from a lawsuit brought by two trucking companies. The lawsuit claimed that the State overcharged the company for interstate registration fees. A portion of the suit was paid from the fund balance of the Truck Safety Fund, which is comprised partially of fees from these companies.

Funding Sources for the Truck Safety Fund

Fifteen dollars of the registration fee collected by the Michigan Department of State on most large trucks (Public Act 346 of 1988, Section 257.801 of the Michigan Compiled Laws)

Interstate registration fees collected by the Michigan Department of Labor & Economic Growth (Public Act 347 of 1988, Section 478.7 of the Michigan Compiled Laws)

